

NOTICE OF VIOLATION

Wisconsin Electric Power Company
Point Beach Nuclear Plant

Docket Nos. 50-266; 50-301
License Nos. DPR-24; DPR-27
EA 97-625

During an NRC inspection completed on December 15, 1997, violations of NRC requirements were identified. In accordance with NUREG-1600, "General Statement of Policy and Procedure for NRC Enforcement Actions," the violations are listed below:

- A. 10 CFR 50.65(b) establishes the scope of the monitoring program for selection of safety-related and non-safety related structures, systems, or components to be included within the maintenance rule program. The monitoring program shall include safety-related structures, systems, or components (SSC) that are relied upon to remain functional during and following design basis events to ensure the integrity of the reactor coolant pressure boundary, the capability to shut down the reactor and maintain it in a safe shutdown condition, and the capability to prevent or mitigate the consequences of accidents that could result in potential offsite exposure comparable to the 10 CFR, Part 100 guidelines. The monitoring program shall also include non-safety related structures, systems, or components that are relied upon to mitigate accidents or transients, or are used in the plant emergency operating procedures, or whose failure could prevent safety-related structures, systems, and components from fulfilling their safety-related function, or whose failure could cause a reactor scram or actuation of a safety-related system.

Contrary to the above, as of November 17, 1997, the licensee failed to include two SSCs within the scope of the maintenance rule as required. Specifically, the following SSCs should have been included within the scope of the maintenance rule but were not:

1. Facade Freeze Protection System - This non-safety related system was not included in the licensee's program for monitoring the effectiveness of maintenance at nuclear power plants even though its failure could prevent the refueling water storage tank water level instrumentation from performing its safety-related function.
2. 345 KV Switchyard Control Building - This non-safety related structure was not included in the licensee's program for monitoring the effectiveness of maintenance at nuclear power plants even though it's part of an SSC relied upon to mitigate accidents, used in plant emergency operating procedures, and its failure could cause actuation of a safety-related system.

This is a Severity Level IV violation (Supplement I).

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- B. 10 CFR 50.65(a)(1) requires, in part, the holders of an operating license shall monitor the performance or condition of structures, systems or components (SSCs), against licensee-established goals, in a manner sufficient to provide reasonable assurance that such SSCs as defined in 10 CFR 50.65(b), are capable of fulfilling their intended functions. Such goals shall be established commensurate with safety. When the performance or condition of an SSC does not meet established goals, appropriate corrective action shall be taken.

Contrary to the above:

1. As of October 31, 1997, the licensee failed to monitor the performance and establish goals commensurate with safety for the reactor coolant system, a system classified as (a)(1) by the licensee. Specifically, the goals for the reactor coolant system failed to address the reactor vessel level indication function and allowed an unacceptably high failure rate for the low temperature overpressure protection function.
2. As of November 3, 1997, the licensee failed to monitor the performance and establish goals commensurate with safety for the residual heat removal system, a system classified (a)(1) by the licensee. Specifically, the goals for the residual heat removal system failed to address all unavailabilities incurred during periods when a train of the residual heat removal system was out of service. In particular, the unavailabilities incurred when a residual heat removal heat exchanger was taken out of service were not addressed.

This is a Severity Level IV violation (Supplement I).

- C. 10 CFR 50.65(a)(1) states, in part, that holders of an operating license shall monitor the performance or condition of structures, systems, and components, as defined by 10 CFR 50.65(b), against licensee established goals, in a manner sufficient to provide reasonable assurance that such structures, systems, and components are capable of fulfilling their intended functions. When the performance or condition of a structure, system, or component does not meet established goals, appropriate corrective action shall be taken.

10 CFR 50.65(a)(2) states that the monitoring as specified in 10 CFR 50.65(a)(1) is not required where it has been demonstrated that the performance or condition of a structure, system, or component is being effectively controlled through the performance of appropriate preventive maintenance, such that, the structure, system, or component remains capable of performing its intended function. 10 CFR 50.65(c) states that, the requirements of this Section shall be implemented by each licensee no later than July 10, 1996.

Contrary to 10 CFR 50.65(a)(2), as of October 1997, the time that the licensee elected to not monitor the performance or condition of the 120 Volt AC electrical system and associated emergency lighting, the licensee failed to demonstrate that the performance or condition of the 120 Volt AC electrical system and associated emergency lighting system had been effectively controlled by performing appropriate preventive maintenance in accordance with the requirements of 10 CFR 50.65(a)(2). Specifically, the licensee failed to establish adequate measures to evaluate the effectiveness of the preventive maintenance on these systems. The licensee's sole basis for demonstrating effective preventive maintenance for the 120 Volt AC electrical system and associated emergency lighting was the criterion that no more than two adjacent emergency lights could fail an 8-hour surveillance test within a 2-year period. This criterion would allow an excessive failure rate of 50% for emergency lighting units without being evaluated for (a)(1). Multiple failures of emergency lighting units would not demonstrate effective preventive maintenance such that the system remained capable of performing its intended function. Therefore, the licensee's basis for placing the 120 Volt AC electrical system and associated emergency lighting under the requirements of 10 CFR 50.65 (a)(2) was inadequate and these systems should have been monitored in accordance with Section (a)(1).

This is a Severity Level IV violation (Supplement I).

Pursuant to the provisions of 10 CFR 2.201, Wisconsin Electric Company is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555 with a copy to the NRC Resident Inspector at the facility that is the subject of this Notice, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation: (1) the reason for the violation, or, if contested, the basis for disputing the violation, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

Because your response will be placed in the NRC Public Document Room (PDR), to the extent possible, it should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.790(b) to support a request for withholding confidential commercial or financial information.) If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

Dated at Lisle, Illinois,
this 12th day of January 1998